

# MANUFACTURING EXTENSION PARTNERSHIP

## Success Stories from the Field

### Katolight Corp

Minnesota Technology Inc.

#### Minnesota Technology, Inc. Shares Value of Lean with Katolight Corp.

##### Client Profile:

Katolight Corp., a manufacturer of electronic generators, began its dependable power story by serving agribusiness in the heart of the Midwest farm belt. Now Katolight generator sets can be found in thousand of places around the world, such as the National Institutes of Health in Washington, DC; the Beijing Newspaper in China; Telesat-Satellite Communications in Macau; and Bonneville Power Authority of Oregon and Washington. The company also produces commercial engine-generator systems. Located in Mankato, Minnesota, Katolight employs approximately 230 people.

##### Situation:

Katolight Corp. was struggling to manage its growth. The 53-year-old firm had recently moved into a new production facility, and increased business was threatening to put a serious strain on space. The firm already had increased productivity a few years earlier by instituting Standard Product (SP), a program that enabled Katolight, a longtime engineer-to-order operation, to standardize its product line; yet there was still too much waste in the process. Katolight had to streamline its operation. Bruce Prange, Katolight's Director of Manufacturing and Materials, found the solution he sought when he attended a Minnesota Technology Inc. (MTI), a NIST MEP network affiliate, presentation on lean manufacturing in 2003 and then contacted MTI for assistance.

##### Solution:

MTI provided lean training, and shortly thereafter, Katolight adopted 5S, a lean process that includes sorting, setting out, shining, standardizing and sustaining. In a series of one-day training sessions, Sam Goebel, Katolight's head manufacturing engineer, empowered workers in each area to completely assess their work stations and remove any non-essential tools or items. From there, Goebel and his team of engineers began to document, with colorful graphics and step-by-step instructions, the way generators should be assembled.

##### Results:

- \* Reduced labor time by 50 percent.
- \* Increased business.
- \* Hired 100 new employees
- \* Purchased new building for central warehouse space.
- \* Increased production, from 40 units to 120 units per week.

##### Testimonial:

"It's unbelievable. Minnesota Technology helped us get the ball rolling. We were able to add more people and more capacity. We can create more product at a higher profit margin. We can take on new business that we didn't have the capacity to do prior to this."

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Bruce Prange , Director of Manufacturing and Materials